

## Social Protection: Hot Topic but Contested Agenda

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Social protection has surfaced to the top of multiple agendas, from human rights to the promotion of economic growth, from decent work to economic, social and gender equality. Its champions, particularly at the global level, include a host of different players, with different priorities, institutions and policy streams, all competing to define the concept and own the discourse.

<b>CSocD</b>	<a href="#">Ministerial Forum on Social Protection Concept Note</a> , February 2019
<b>CSW</b>	Report of the Expert Group: <a href="#">“Social protection systems, access to public services and sustainable infrastructure for gender equality and the empowerment of women”</a> , November 2018
<b>GCSPF</b>	<a href="#">“The IMF’s New Policy Framework on Social Protection”</a> , January 2019
<b>ILO</b>	<a href="#">“World Social Protection Report 2017-19: Universal social protection to achieve the Sustainable Development Goals”</a> , 2017
<b>IMF</b>	Independent Evaluation Office (IEO) Report: <a href="#">“The IMF and Social Protection”</a> , July 2017
<b>IMF</b>	Finance & Development: <a href="#">“A New Social Contract: Overcoming fears of technology and globalization means rethinking the rights and obligations of citizenship”</a> , December 2018
<b>OHCHR</b>	Report of the Independent Expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights: <a href="#">“Impact of economic reforms and austerity measures on women’s human rights” (A/73/179)</a> , July 2018
<b>OHCHR</b>	<a href="#">Report of the Special Rapporteur on extreme poverty and human rights (A/HRC/38/33)</a> , May 2018
<b>WID.world</b>	<a href="#">World Inequality Report 2018</a> ; presentation: <a href="#">“Unsustainable inequalities: From measurement to policy”</a> , February 2019

The UN 2030 Agenda for Sustainable Development (General Assembly resolution [70/1](#)) calls for universal social protection that includes guaranteeing a social protection floor for all.

Aligning their work programme with the 2030 Agenda, both the UN Commission for Social Development (CSocD), meeting in February 2019, and the UN Commission on the Status of Women (CSW), meeting in March 2019, have identified social protection as a priority theme, linking it to addressing inequalities, including gender, as well as to access to services and sustainable infrastructure.

Among the different champions are fault lines on mode of implementation, whether universal or targeted beneficiaries; and on justification, whether more efficient service delivery or access to rights. Even within each discourse or institution, there are mixed messages and conflicting priorities, in many cases related to resource mobilization and allocation strategies, from taxation to budget assistance to private sector partnerships.

## UN promotes social protection

The 1948 Universal Declaration on Human Rights asserts that “Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation, of the economic, social and cultural rights indispensable for his dignity” (article 22).

The International Labour Organization (ILO) has developed the policies and programmes necessary to realize this right. The ILO “[World Social Protection Report 2017-19](#)” states:

Social protection, or social security, is a human right and is defined as the set of policies and programmes designed to reduce and prevent poverty and vulnerability throughout the life cycle. Social protection includes benefits for children and families, maternity, unemployment, employment injury, sickness, old age, disability, survivors, as well as health protection. Social protection systems address all these policy areas by a mix of contributory schemes (social insurance) and non-contributory tax-financed benefits, including social assistance (p.xxix).

It estimates, however, that “only 29 per cent of the global population are covered by comprehensive social security systems that include the full range of benefits, from child and family benefits to old-age pensions. Yet the large majority – 71 per cent, or 5.2 billion people – are not, or are only partially, protected” (p.xxix).

The ILO has actively promoted social protection since it was founded, resulting in its flagship Convention concerning Minimum standards of social security, 1952 (No. 102) and the Social Protection Floors Recommendation, 2012 (No. 202). And in the aftermath of the economic and financial crisis, in 2009, the heads of all UN agencies endorsed the [Social Protection Floor Initiative](#) (SPF-I), which as a minimum ensures that everyone has access to basic income and essential health care.

The centrality of social protection to equitable and sustainable development has been acknowledged in the 2030 Agenda and the Sustainable Development Goals (SDGs), including SDG 1 on poverty reduction and SDG 10, on reducing inequalities, while SDG 3, on health includes a target on achieving universal health coverage.

The relevance of social protection to reducing inequalities, including those based on gender, has been addressed in detail at the 2019 CSocD and by human rights experts. UN Independent Expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights, Juan Pablo Bohoslavsky, using ILO estimates of 2014-15, states: “In a world where only 27 per cent of the population enjoys full access to social protection, many women do not have access to any social protection. Women tend to be overrepresented among the remaining 73 per cent who either lack coverage or are only partially covered” (A/73/179 para 27).

The [World Inequality Lab report](#), pointing to the oft-cited fact that since 1980 the top 1 per cent of the global population captured twice as much global income growth as the bottom 50 per cent, concludes that while powered by globalization, such dramatic inequality growth is not its inevitable result. Rather in a series of graphs, it outlines evidence that it is a result of policy choices, which the UN needs to monitor and track in new measures of growth.

## IMF evaluation: Targeting the poor or defending their rights?

One of the major players impacting the provision of social protection is the International Monetary Fund (IMF). Together with the World Bank, the Fund has adopted an approach that targets only the poorest and most vulnerable – often determined through means-testing – at the same time advising countries to prioritize fiscal restraint, usually at the expense of broader social protection coverage. Prompted by the [2017 report of Independent Evaluation Office](#) (IEO) of the IMF, it has been revising its institutional view on how to address social protection in its work with developing countries.

The IMF has acknowledged its lack of expertise on social protection, and has relied on the World Bank for policy advice. However, as the IEO report stated:

[W]hile the IMF’s preferred approach of targeting social protection to the poor and vulnerable was aligned with the World Bank’s approach, it meshed less well with the rights-based approach to social protection espoused by the International Labour Organization and UN agencies which emphasizes universal benefits and targeting by category (e.g., demographic group) rather than income (p.vi).

The IEO continued: “The IMF has traditionally approached social protection from the standpoint of fiscal policy, insofar as social protection policies or measures mostly entail public expenditures,” an approach “centered on efficiency, minimization of distortions, and fiscal sustainability” (para 22). Acknowledging that “the IMF has been a strong proponent of targeting social protection benefits to those who need them most”, the evaluation cited a 2014 staff paper on fiscal policy and income inequality which “acknowledged that means-testing “may not be the socially optimal approach” in certain countries”, particularly those committed to a universal protection floor (para 23).

This difference in approach, the IEO concluded, has made it difficult for the ILO and other UN agencies to collaborate with the IMF on social protection programmes. The evaluation also noted how this approach has been an obstacle to collaboration with civil society organizations (CSOs), causing them to call into question the IMF’s commitment to social protection and the SDGs.

### UN human rights experts and civil society weigh in

Two UN human rights experts have also addressed concerns with the IMF approach. In his 2018 report to the Human Rights Council ([A/HRC/38/33](#)), the UN Special Rapporteur on extreme poverty and human rights Philip Alston, explained that the main debate centers around a “social safety net” approach and a human rights or “social citizenship” approach, adding that “the definition of a social protection floor, according to the International Labour Organization (ILO), World Health Organization (WHO) and the United Nations, as demonstrated in the Social Protection Floor Initiative, reflects a human rights approach” (para 35).

Alston makes clear that the social protection floor is not a one size fits all approach but identifies an overall set of objectives and offers elements of an accountability framework. Thus, each State has the ability to determine the scope and depth of such a floor but that “it should include basic social security guarantees for health care, as well as income security for children, older persons and those unable to work...” (para 35).

The Alston report contrasts this approach with the IMF safety net approach:

[It] is often so minimal that it barely warrants the term “social protection”. In the words of the Independent Evaluation Office, the view of IMF is that “[s]ocial safety nets are necessary to mitigate adverse short-term effects of fiscal adjustment, economic reforms, or external shocks on vulnerable population groups”. In essence, social protection is a short-term fix to help the “most vulnerable” to overcome temporary economic hardship. Often, that group is not coterminous with the worst-off in society, but with those hit by the economic adjustments IMF is promoting (para 36).

The report also details concerns about targeted rather than universal social benefits. Noting that the IMF “has strongly opposed universal programmes in some situations”, it cites the examples of Mongolia and Kyrgyzstan, which in 2017-2018 the IMF obliged “to restrict the scope of the previously universal” child cash allowances (para 39). It also cites research in sub-Saharan Africa on targeting that shows that the proxy means test – often favoured by the IMF as a targeting mechanism – “misses many of the poorest households in almost all countries: on average 80 per cent of poor households are counted as non-poor by the test” and thus ineligible (para 40).

The [Bohoslavsky report](#) criticizes International Financial Institutions (IFIs) more broadly, not just the IMF, particularly with regard to the gendered impacts of fiscal consolidation:

Today, over two thirds of countries around the world – most of them upon the advice of international financial institutions – are contracting their public purses and limiting, rather than expanding, their fiscal space. While structural adjustment and fiscal consolidation policies can have massive adverse impacts on the human rights of persons in situations of vulnerability, most of those policies have not been designed or implemented in a manner that would promote or safeguard human rights, let alone be sensitive to their gendered impacts (para 7).

Civil society organizations have also weighed in on the social protection debate and the role of the IMF, which has dominated it. The Global Coalition for Social Protection Floors (GCSPF), representing over 100 CSOs, issued a statement in January 2019 on “[The IMF’s Policy Framework on Social Protection](#)”. This reiterates that CSOs have criticized the Fund’s “determination to see governments reduce or even eliminate fiscal deficits, [urging] them to rein in spending for social protection while paying little attention to the social and economic consequences for beneficiaries” (p.1).

Citing the IEO report it states: “With regards specifically to social protection, the Fund encouraged reform of pension entitlements so as to reduce the State’s obligations, decrease spending on items such as subsidies, and reform safety nets to focus on “the poorest””. It adds that an analysis by ILO and partners of the IMF reports in 183 countries from 2010 to 2015, which examined austerity-related measures in both developing and high-income countries, “found IMF surveillance to be a “main contributing factor” to subsequent cuts in public spending in developing countries” (p.2).

The Global Coalition statement notes that the IEO report also criticized means-testing, listing “the major problems associated with the means testing techniques used for targeting the “poorest”, including high cost, substantial under-coverage and political unsustainability” (p.2).

And it continues with regard to privatization:

In past years, the IMF deferred to the Bank’s expertise when it actively promoted partial or total privatization of public pension systems in Eastern Europe and Latin America. As described in a [report published in 2018](#), governments subsequently reversed most of these privatizations because of stagnant or declining coverage, inadequate benefits, lower pensions paid to women than men and unforeseen increases in the State’s fiscal costs (p.5).

The GCSPPF specifically targets the Fund’s restrictions on cash transfer programmes. It cites the examples of Mongolia and Kyrgyzstan, drawn from IMF staff reports which had mentioned their success in reducing poverty, especially in rural areas. It notes also that in Iran, the Fund urged the government “to shift a universal cash transfer programme, originally introduced to replace fuel subsidies, to a programme targeted on the poor in order to create fiscal space for other expenditures such as bank recapitalization” (p.3).

The GCSPPF has also written to IMF chair Christine Lagarde, expressing its concerns about the findings of the IEO report and calling on the IMF to change its approach.

## **Social protection, human rights and gender equality**

The Bohoslavsky report points to links between the IFIs’ emphasis on fiscal restraint and social and economic hardship, particularly for women. He specifically notes the consequences for service provision, social protection and “social infrastructure” – for example, women’s unpaid care work.

In some regions, the triple jeopardy of austerity, which sees women suffer simultaneously as public-sector workers, service users and the main recipients of social security protection benefits, has specific implications in terms of care. That in turn aggravates labour market gender discrimination and occupational segregation. Cuts to social care have reduced access to many crucial services. Loss of jobs within the care sector and public sector pay freezes have also affected women (para 26).

Bohoslavsky’s report draws out the impact of IFI policies or the lack of them on the ability of women to enjoy their human rights:

The effectiveness of the approach of international financial institutions to gender inequality raises important questions when it comes to reducing the coverage of social protection benefits, fiscal space for social services and investments in infrastructure that are sustainable and gender-responsive. Not addressing structural barriers to women’s enjoyment of economic and social rights and remaining silent about the impacts of illicit financial flows, regressive tax regimes and austerity measures on women’s human rights also raises important considerations in that sense (para 73).

The report underlines the gendered impact of the IFIs’ exclusive focus on a growth agenda, which many countries have adopted:

Although policies resulting in gender inequality in pay may indeed boost growth, the issue of gender equality cannot be reduced to women’s labour force participation and should not be approached as a separate or emerging issue. The agenda of international financial institutions should be reshaped and bound by human rights considerations. International financial institutions should urgently address the impact of prescribed macroeconomic policies, lending and technical assistance on women’s opportunities to exercise their right to work, to social protection and to gain access to public services. Women’s

disproportionate unpaid care burden, limitations on their ability to exercise choice over their economic activities, and the adverse gender implications of regressive tax regimes should also be urgently addressed (para 88).

Special Rapporteur Philip Alston makes a similar point:

In dealing with an issue like gender equality, IMF also needs to overcome its aversion to ever mentioning human rights. Even a study showing convincingly that legal restrictions strongly hinder female labour force participation in low-income countries, calling for their elimination, advocating “constitutionally guaranteed equity between men and women [as] the absolute minimum” and ideally the “guarantee [of] legal equality to women in all dimensions” made no reference at all to human rights, women’s human rights or the Convention on the Elimination of All Forms of Discrimination against Women. It did, however, repeat several times, that its recommendations “should be considered against the backdrop of countries’ broadly accepted cultural and religious norms” ([A/HRC/38/33](#) para 30).

Alston raises serious questions about the orientation of the IMF, and until recently the World Bank:

The interest of IMF is in mitigation, not transformation, and social protection is embraced for largely pragmatic programmatic considerations, rather than for the principled reason that any macroeconomic framework should protect those who cannot protect themselves (para 36).

The World Bank, the key international supporter of the safety net approach as a form of social risk management, has now formally endorsed the ILO/WHO/United Nations social protection floor approach, and IMF would normally be expected to follow suit (para 37).

## Accountability at the UN

Social protection has been on the UN agenda since its inception. In the wake of the global financial crisis, the UN Chief Executives Board established SPF-I, which set out to coordinate the UN development system’s efforts in the area of social protection and provide better technical assistance with lasting and effective results.

The 2030 Agenda offers a new framing for accountability, not only through the High-Level Political Forum on Sustainable Development, but for all processes of the UN development system and for the ECOSOC system. This includes the functional commissions of ECOSOC.

CSW is part of the ECOSOC system and presents the major platform for accountability of the UN system to deliver for gender equality. The [report of the Expert Group](#) on the priority theme for the 2019 CSW urges states “to design, finance, implement, monitor and evaluate social protection systems, public services, and sustainable infrastructure according to established human rights norms and standards” (p.8).

In addressing the responsibility of Member States, the report recommends that they:

Ensure that governments are the primary actors responsible for the provision of social protection, public services and infrastructure, and that they partner with community-driven initiatives. Governments must regulate the activities of non-state actors (e.g. philanthropies, NGOs, private sector) to ensure adherence to human rights principles, including in regards to universal coverage, quality of services and infrastructure, and transparency and accountability (p.10).

Preparations for the CSocD Ministerial Forum emphasize the responsibility of both national governments and the international community to ensure adequate financing:

One of the key challenges to expanding social protection, particularly in low- and middle-income countries, is adequate financing. To fund social protection, in particular floors, tax-based financing is necessary. Governments often need to strengthen national tax systems, including improving the efficiency in tax collection and administration and addressing tax evasion and fraud. International coordination is critical to reduce tax evasion and provide technical assistance to help countries design adequate systems to tackle tax avoidance schemes ([Concept Note](#) p.3).

The human rights expert reports, on the other hand, spell out that governments and the international community must tackle tax avoidance, and tax abuse and adequately fund the public sector, if they are to live up to their human rights and development.

The World Inequality Report, which graphs a number of trends resulting from globalization against policies to address income generation, includes one on the rise of private capital and the fall of public capital in rich countries over the period 1970-2016 that shows that “countries have become richer, but governments have become poor” (p.14). Another illustrates a race to the bottom in corporate taxes alongside greater dependency on VAT taxes, which fall disproportionately on the poor, including women.

Progressive taxation is a proven tool to tackle inequality at the top. It was strongly reduced in rich countries since the late 1970s. According to the World Inequality Report, wealth currently held in tax havens amounts to more than 10 per cent of global GDP and has increased considerably since the 1970s.

The report reiterates that the rise in equality is the result of policy choices not an inevitable consequence of technological change. Comparing the huge rise of inequality in the USA against that in the EU, for example, which are broadly similar regions in terms of size, average income, openness and technology, the report shows that policy choices matter.

Calling for an effort to devise inequality measures of growth, it urges the UN to take leadership on inequality-tracking standards alongside better tracking of income and wealth statistics.

The integrated nature of the 2030 Agenda requires accountability across policies and institutions and brings to the forefront not only human rights responsibilities but also financing policies, lending requirements and accountability of the IFIs.

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